

## Message Text

LIMITED OFFICIAL USE

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ACTION ARA-14

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 SIL-01 OMB-01 ABF-01 STR-04 SSO-00

INRE-00 /062 W

-----004955 080035Z /73

O 072313Z SEP 77

FM AMEMBASSY LIMA

TO SECSTATE WASHDC NIACT IMMEDIATE 6542

LIMITED OFFICIAL USE SECTION 1 OF 2 LIMA 7741

DELIVER 8:30 A.M. SEPT. 8

E.O. 11652: N/A

TAGS: EFIN, PE, EARL

SUBJECT: DATA REQUESTED ON PERUVIAN ECONOMY

REF: STATE 204036

1. INFORMATION REQUEST GIVEN TO CONTRAL BANK PRESIDENT HERNAN DE LA MELENA AUGUST 29 AND FOLLOWING DATA COLLECTED FROM CARLOS SAITO,

DIRECTOR DIVISION OF ECONOMIC STUDIES ON SEPTEMBER 6. CENTRAL BANK DECLINED TO PRESENT DATA RE CASH FLOW FOR 1977 EXTERNAL ACCOUNTS. EMB OFF REQUESTED SAITO CHECK BACK WITH DE LA MELENA ON THIS INFORMATION. AT PRESENT TIME CENTRAL BANK UNABLE TO DISCUSS MEASURES GOP PROPOSES TO UNDERTAKE RE EXCHANGE RATE SYSTEM, IMPORT LEVELS, INCOMES POLICY, PUBLIC SECTOR BUDGET DEFICIT AND FINANCING, AND SUBSIDIES. WE ARE INFORMED IMF MISSION TO BEGIN DISCUSSION SEPT. 7 AND THAT DETERMINATIONS ON MAJOR ECONOMIC POLICY WILL PROBABLY NOT BE MADE UNTIL THE CONCLUSION IMF MISSION VISIT (PROBABLY THREE WEEKS IN FUTURE.

2. IN REGARDS TO PROJECTIONS CENTRAL BANK NOT PREPARED AT  
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THIS TIME TO MAKE PROJECTION RE 1978 DUE TO IMF VISIT. APART FROM THIS DEFICIENCY AND OMISSION EFFECT MILITARY EXPENDITURES ON INTERNAL AND EXTERNAL FINANCIAL GAPS, CENTRAL BANK WAS RELATIVELY MORE FORTHCOMING WITH DATA THAN IN PAST.

3. BALANCE OF PAYMENTS DATA FOLLOW IN MILLIONS OF U.S. DOLLARS.

	1974	1975	1976	1977		
A. EXPORTS (FOB)		1,503	1,291	1,359	1,768	
B. IMPORTS (FOB)		1,909	2,390	2,100	2,095	
C. TRADE BLANCE		-406	-1,099	-741	-326	
D. SERVICES		-447	-489	-509	-541	
E. TRANSFERS		45	49	58	57	
F. BALANCE ON CURRENT ACCOUNT			-807	-1,538	-1,192	-811
G. DIRECT INVESTMENT			144	316	171	54
H. LOANS TO PRIVATE SECTOR			58	27	25	15
I. LOANS TO OFFICIAL SECTOR			697	793	547	602
J. LOANS TO REST OF PUBLIC SECTOR			13	-28	-68	-6
K. OTHER		-17	28			
L. TOTAL LONG TERM CAPITAL			895	1,135	675	665
M. NET BASIC BALANCE			88	-403	-517	-146
N. SHORT TERM CAPITAL AND ERRORS AND OMISSIONS			194	-173	-351	-184
O. TOTAL		282	-577	-868	-330	
P. COMPENSATORY MOVEMENT			-282	577	868	330

4. DATE ON STATUS OF PUBLIC SECTOR EXTERNAL DEBT FOLLOWS IN  
MILLIONS OF U.S. DOLLARS

	SERVICE DISBURSEMENTS	AMORT.	DEBT AT END INT.	VAR. OF PERIOD
1973			1491	
CENTRAL GOV.			971	
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OTHER O.S.		520
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1974				
CENTRAL GOV.	616	233	84	2 1356
OTHER P.S.	419	105	34	-8 826
TOTAL	1035	338	118	-6 2182

1975				
CENTRAL GOV.	594	149	131	49 1850
OTHER PUB.S.	483	135	59	42 1216
TOTAL	1077	284	190	91 3066

1976				
CENTRAL GOV.	453	148	137	13 2168
OTHER PUB.S.	393	151	97	15 1473
TOTAL	846	299	234	28 3641

1977				
CENTRAL GOV.	2168	776	261	2536
OTHER	1473	217	130	1707
TOTAL	3641	993	391	4243

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INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 SIL-01 OMB-01 ABF-01 STR-04 SSO-00

INRE-00 /062 W

-----024284 090524Z /12

O 072313Z SEP 77 CORRECTED COPY FOR MRN

FM AMEMBASSY LIMA

TO SECSTATE WASHDC NIACT IMMEDIATE 6543

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C O R R E C T E D C O P Y FOR MRN /LIMA 7741 VICE 7141/

5. SUPPLEMENTARY DATA ON PUBLIC SECTOR DEBT OUTSTANDING AS OF DECEMBER 31, 1976 PROVIDES SUBSTANTIAL DETAIL BY COUNTRY. HOWEVER OF TOTAL OF 3,736 MILLION 1,089.6 MILLION LISTED AS "MULTIPLE SOURCES (BANK SYNDICATIONS)."

A LARGE PART OF THIS IS OBVIOUSLY FROM U.S. BANKS.  
FOLLOWING DATA IN MILLIONS OF U.S. DOLLARS:

IDB 164.7

IBRD 101.0

CAF 1.6

USSR 197.8

RUMANIA 6.6

YUGOSLAVIA 116.7

CZECHOSLOVAKIA 10.4

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HUNGARY 28.2

BULGARIA 0.03

PR CHINA 1.0

FR GERMANY 47.7

ARGENTINA 42.3

AUSTRIA 8.4

BELGIUM 1.8

BRAZIL 24.6

CANADA 136.3

COLOMBIA 0.4

DENMARK 3.4

SPAIN 32.1

FINLAND 25.5

FRANCE 132.2

NETHERLANDS 62.0

U.K. 58.0

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ITALY 176.2

ISRAEL 22.9

JAPAN 479.3

LUXEMBURG 37.3

MEXICO 22.2

NORWAY 17.5

NEW ZEALAND 18.8

SOUTH AFRICA 14.7

SWEDEN 35.5

SWITZERLAND 44.1

U.S.A. 375.3

VENEZUELA 33.2

OTHER -

PRINCIPALLY BANKS 1089.6

TOTAL 3569.0

BALANCE OF PAYMENTS

LOANS 167.0

GRAND TOTAL 3736.0

#### 6. SUMMARY OF CENTRAL GOVERNMENT OPERATIONS IS AS FOLLOWS:

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IN MILLIONS OF SOLES.

	1974	1975
A. CURRENT INCOME	68,560	87,896
B. CURRENT EXPENDITURES	62,444	90,507
C. SAVINGS ON CURRENT ACCT.	6,116	-2,611
D. CAPITAL EXPENDITURES	20,206	27,980
E. TOTAL EXPENDITURES (W/O AMORTIZATION)	82,650	118,487
F. ECONOMIC DEFICIT	-14,090	-30,591
G. FINANCING	14,090	30,591
EXTERNAL (NET)	10,748	16,813
DOMESTIC (NET)	3,342	13,778
	1976	1977
A. CURRENT INCOME	111,397	147,000

B. CURRENT EXPENDITURES	122,718	183,565
C. SAVINGS ON CURRENT ACCOUNT	-11,321	-36,565
D. CAPITAL EXPENDITURES	37,111	42,500

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E. TOTAL EXPENDITURES (W/O AMORTIZATION) 159,829 226,065

F. ECONOMIC DEFICIT -48,432 -79,065

G. FINANCING 48,432 79,065

EXTERNAL (NET) 15,636 21,932

DOMESTIC (NET) 32,796 57,133

7. DATA ON PRICES, LATEST CONSUMER PRICE INDEX NUMBER IS FOR JUNE 1977 AT 267.22 (1973 EQUALS 100.0) TWELVE-MONTH PERIOD ENDING JUNE OF EACH YEAR INDICATES INCREASE OF 52.5 PERCENT FOR 1977, 23.2 PERCENT FOR 1976, AND 20.4 PERCENT FOR 1975.

8. AVERAGE ANNUAL WAGES OF ALL WORKERS IN 1970 SOLES

1972 37,714

1973 39,659

1974 40,647

1975 40,346

1976 39,505

1977 (NO DATA AVAILABLE)

9. DATA ON STOCK OF MONEY (M1) AND MONETARY AGGREGATE (M3) IN BILLIONS OF SOLES.

M1 M3

DEC. 31, 1972 43.9 75.3

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DEC. 31, 1973	53.1	90.4
DEC. 31, 1974	67.4	110.3
DEC. 31, 1975	79.8	129.8
JUNE 30, 1976	79.7	132.3
DEC. 31, 1976	96.9	151.2
JUNE 30, 1977	93.4	155.8

SMITH

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, ECONOMIC DATA  
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**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Litigation History:**  
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**Office:** ACTION ARA  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1367357  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DATA REQUESTED ON PERUVIAN ECONOMY  
**TAGS:** EFIN, EALR, PE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/a639034d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009